




**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Sheriff
Department No.:
For Agenda Of: July 13, 2010
Placement: Departmental
Estimated Time: 15 min.
Continued Item: June 22, 2010
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department Bill Brown, Sheriff 
Director(s)
Contact Info: Ken Shemwell, Undersheriff 681.4290
Terri Nisich, Assistant CEO 568.3404
SUBJECT: Consideration of Local Crime & Gang Reduction, Fire Protection and Jail Construction/Operation Ordinance Imposing a County of Santa Barbara ½ Percent Transactions (Sales) and Use Tax Ballot Measure

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- A. Adopt (second reading) an Ordinance Imposing a County of Santa Barbara ½ Percent Transactions (Sales) and Use Tax for Local Crime & Gang Reduction, Fire Protection and Jail Construction/Operation to be administered by the State Board of Equalization;
- B. Adopt a Resolution Calling and Providing For an Election to be Held on November 2, 2010 to Submit to the Qualified Electors of the County of Santa Barbara a Measure on Whether to Approve an Ordinance Imposing a County of Santa Barbara ½ Percent Transactions (Sales) and Use Tax for Local Crime & Gang Reduction, Fire Protection and Jail Construction/Operation and Requesting and Ordering That the Election Be Consolidated with the November 2, 2010 Election;
- C. Direct the Auditor-Controller to review the Ordinance/Measure and determine whether the substance thereof, if adopted, would affect the revenues or expenditures of the County, and to prepare a fiscal impact statement pursuant to Elections Code Section 9160(c); and

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- D. Set Hearing for July 27, 2010 to consider, adopt and authorize filing of, an Argument in Favor of the Measure (Ordinance Imposing a County of Santa Barbara ½ Percent Transactions (Sales) and Use Tax for Local Crime & Gang Reduction, Fire Protection and Jail Construction/Operation.)

Summary Text

On June 22, 2010, the Board of Supervisors considered the possibility of placing a measure on the November 2, 2010 election ballot to increase the transactions ("sales") and use tax by ½ percent to fund the construction and operation of a new jail; enhanced front-line law enforcement and fire protection services in the cities and unincorporated areas; and prevention, treatment, rehabilitation programs and alternatives to incarceration proven to reduce incidences of repeat criminal offenses. The measure presented to the Board proposed a ½ percent sales tax increase for ten years (7/1/2011-6/30/2021) with the funding proposed to be generated by said measure to be allocated to jail construction and operation (50% or \$15 million/year); enhanced law enforcement and fire protection services to cities and fire districts on a per capita basis (34% or 10 million/year); prevention, treatment and alternatives-to-incarceration proven to reduce recidivism (16% or \$5 million/year).

During this hearing, the Board provided several suggested changes regarding the following items: (1) proposed allocation of the sales tax to various fire and law enforcement entities and services; (2) timing in terms of extending the sales tax and (3) additional information and details regarding the oversight committee. The revised ordinance presented for consideration by the Board on July 6, 2010 reflects these changes. Specifically, the measure would: (1) exist for fourteen years from 7/1/2011 to 6/30/2025 to coincide with the 2024 Presidential election; (2) allocate an additional \$1.25 million to countywide watershed protection (Santa Barbara County Fire Protection District) and (3) create an Independent Citizen's Oversight Advisory Committee tasked with financial oversight to augment the committee focusing solely on program evaluation and funding allocation for recidivism reduction efforts and alternatives-to-incarceration.

Background:

Based on the recommendations of the Blue Ribbon Commission, the findings derived from the resident's survey, and direction received from the Board of Supervisors on June 22, 2010, the following ballot measure is recommended:

County of Santa Barbara ½ Percent Transactions (Sales) and Use Tax Ordinance for Local Crime & Gang Reduction, Fire Protection and Jail Construction/Operation

"Shall the County of Santa Barbara Ordinance to strengthen front-line law enforcement and fire protection within the County of Santa Barbara and Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria, and Solvang and Carpinteria-Summerland, Montecito and County Fire Districts, construct and operate a 304-bed jail, repair existing correctional infrastructure and fund repeat offender reduction efforts and alternatives-to-incarceration, with a ½ percent Transactions (Sales) and Use Tax increase beginning 7/01/2011 through 6/30/2025, and advisory committee oversight be approved?"

Yes _____

No _____

Revised Ballot Measure Proposal

The proposed ballot measure recommended for November 2, 2010 would authorize a one half of one percent (½%) Transactions (Sales) and Use Tax for the purposes listed below, in accordance with key provisions of the ordinance as illustrated below:

- The tax will be levied for fourteen (14) years.
- Revenue from the tax may only be used for enhanced sworn front-line law enforcement and fire protection services, new jail construction and operation, repair of existing correctional facilities infrastructure, financing costs, recidivism reduction efforts, and alternatives-to-incarceration programs to reduce the number of future inmates.
- The measure is expected to generate approximately \$30 million annually to be apportioned by the following percentages:
 - a. Construction, and future operation of a new jail facility and repair of existing correctional facilities infrastructure (50%-approximately \$15 million based on an estimated \$30 million in gross revenue)
 - b. Front-line sworn law enforcement and fire protection services (34%-approximately \$10 million based on an estimated \$30 million in gross revenue)
 1. Law Enforcement (approximately \$5 million based on an estimated \$30 million in gross revenue) to the County and cities
 2. Fire Protection (approximately \$5 million based on an estimated \$30 million in gross revenue)
 - i. 75% front-line fire protection (approximately \$3.75 million) to the cities and all fire protection districts
 - ii. 25% countywide watershed fire protection (approximately \$1.25 million) to the Santa Barbara County Fire Protection District
 - c. Recidivism reduction efforts and alternatives-to-incarceration programs (16%-approximately \$5 million based on an estimated \$30 million in gross revenue)
- An Independent Oversight Advisory Committee will be appointed by the County of Santa Barbara Board of Supervisors to help ensure accountability to voters regarding the expenditure of funds, and to assist the Board of Supervisors in ensuring that all provisions, requirements and voter mandates specified in the Ordinance and corresponding Expenditure Plan are properly carried out.
- A separate Advisory Committee on recidivism reduction efforts and alternatives-to-incarceration programs will also be appointed by the County Board of Supervisors to develop a recommended

funding plan for the 16% percent of funds specifically dedicated to such efforts and to advise the County of Santa Barbara Board of Supervisors on program delivery.

- All funds derived from this measure remain local and cannot be taken by or redirected to the State of California.

Expenditure Plan

The following Expenditure Plan represents estimated allocations for the first year that the Transaction (Sales) and Use Tax revenue is collected and distributed based on population figures published by the State Department of Finance in 2009. The allocations may change from year to year based on such factors as the actual revenue received, changes in population, the failure of an entity to maintain its baseline public safety budget as defined within the ordinance or authorized amendments to the Expenditure Plan.

New Jail Construction, Operation and Repair of Existing Correctional Facilities Infrastructure (50% Total Revenue – Approximately \$15 million based on an estimated gross revenue of \$30 million)

Year 1 - 4 \$15 million annually based on estimated gross revenue of \$30 million.

For construction of new jail facility (\$60 million over an estimated 4 years) - Funds will serve as match monies to State funded AB 900 grant funding anticipated to provide approximately 75% of the total on-site jail construction costs.

Measure funding may also be utilized for associated off-site construction and related costs not eligible for AB 900 grant monies, and repair of existing correctional facilities infrastructure.

Year 5 – 14 \$15 million annually based on estimated gross revenue of \$30 million.

Approximately \$15 million annually will be dedicated to the ongoing costs of operations of the new jail facility.

Recidivism Reduction Efforts and Alternatives-to-Incarceration

(16% Total Revenue - Approximately \$5 million based on estimated gross revenue of \$30 million)

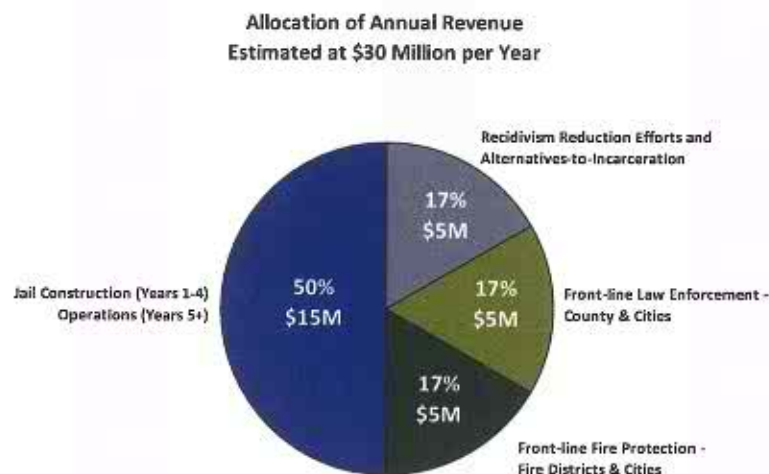
Year 1 – 14 \$5 million annually based on estimated gross revenues of \$30 million.

Funds shall be used for recidivism reduction efforts and alternatives-to-incarceration, such as, but not limited to, the following program areas: Intensive probation/supervision, drug treatment (in-custody and in-community), alternative treatment courts, mental health services, homeless and mental health jail discharge planning, gang prevention/intervention, truancy programs, day reporting centers, sobering and detoxification centers, work furlough programs, and vocational education and training.

All funds derived from the 16% dedicated to recidivism reduction efforts and alternatives-to-incarceration programs shall be monitored by an advisory committee comprised of subject matter experts who will provide recommendations to the County Board of Supervisors regarding funding allocations, program delivery and effectiveness. The Committee shall ensure that funds are used in a manner consistent with that specified in the measure. The Committee shall be appointed by the County of Santa Barbara Board of Supervisors.

Enhanced Front-line Law Enforcement and Fire Protection Services

(34% Total Revenue - Approximately \$10 million based on an estimated gross revenue of \$30 million)
Funds may be used for front-line sworn law enforcement and front-line fire protection, countywide watershed protection and fire suppression.



Generally, public safety funding will be allocated on a 50/50 sharing ratio between law enforcement and fire protection. However, the cities of Santa Barbara, Santa Maria, Lompoc and Guadalupe, given they have their own fire departments and police departments, may distribute their total allocation of funding for front-line law enforcement and fire protection services in a percentage as determined by their governing body. The Cities of Santa Maria, Santa Barbara, Lompoc, and Guadalupe may allocate the total proceeds derived from revenues between front-line law enforcement and fire protection at the discretion of their local governing bodies as long as their municipal fire departments are maintained and do not become part of a fire protection district. In the event a city joins a fire protection district, its per capita funding for fire will shift to such district.

Based on the overall benefit derived by the County as a whole through enhanced front-line law enforcement and fire protection readiness, funds will be distributed to public safety agencies, identified in the chart within the ordinance, on a per capita percentage basis. In addition, recognizing the countywide need for wild land-urban interface fire protection and suppression, 25% of the total fire protection allocation will be directed to the Santa Barbara County Fire Protection District for countywide watershed protection. The remaining 75% of the fire protection funding will be directed to fire districts/agencies on a per capita percentage basis as illustrated on the chart below.

During the first year the tax is levied, revenues will be apportioned among the County, all cities within the County (Cities) and the Santa Barbara County, Carpinteria-Summerland and Montecito Fire Protection Districts (Fire Districts) on the following basis (Assuming \$10 million for distribution based on assumed gross revenue of \$30 million.)

All amounts referenced in the following chart are based on an estimated gross of \$30 million in revenue.

County/City	Fire Protection	Percent of Fire Protection	Law Enforcement	Percent of Law Enforcement	Total	Percent of Total
County of Santa Barbara	SBCFPD	-	\$ 1,668,919	33%	\$ 1,668,919	17%
Countywide Watershed Protection (SBCFPD)	1,250,000	25%			1,250,000	12%
Santa Barbara County Fire Protection District	1,504,845	30%	-	0%	1,504,845	15%
City of Santa Maria	804,597	16%	1,072,796	21%	1,877,394	19%
City of Santa Barbara	785,174	16%	1,046,899	21%	1,832,073	18%
City of Lompoc	372,920	7%	497,227	10%	870,147	9%
City of Goleta	SBCFPD	-	353,294	7%	353,294	4%
Carp-Summerland (FPD)	138,710	3%	-	-	138,711	1%
City of Carpinteria	CSFPD	-	167,037	3%	167,037	2%
City of Guadalupe	56,809	1%	75,746	2%	132,555	1%
Montecito (FPD)	86,944	2%	-	-	86,944	1%
City of Solvang	SBCFPD	-	63,133	1%	63,133	1%
City of Buellton	SBCFPD	-	54,949	1%	54,949	1%
Total	\$ 5,000,000	100%	\$ 5,000,000	100%	\$ 10,000,000	100%

- The County, Cities and Fire Districts may not use revenue derived by the measure to supplant existing front-line law enforcement and fire protection funding sources identified as regular and recurring. Such will be determined upon a calculation of baseline public safety general fund contributions for Fiscal Year 2009/10 by the County, Cities and Fire Districts. In order to receive their full share of tax proceeds for a given fiscal year, the County, Cities and Fire Districts must maintain their baseline front-line law enforcement and fire protection (public safety) general fund contribution. However, an agency's front-line public safety funding general fund contribution may be reduced compared to its baseline general fund contribution in a percent no more than that by which other combined general fund contributions of all other non-public safety departments for the prior fiscal year were reduced. In the event the County, a City or Fire District reduces its front-line law enforcement and fire protection (public safety) general fund contributions, measured on a percentage basis, more than the percentage of the combined general fund contributions of all other non-public safety departments of the prior year's combined budget, the tax revenue that would otherwise have been paid to the County, City or Fire District will be reduced by the difference of those variances. The remainder from the reduction(s) shall be distributed to the other qualifying agencies on a per capita percentage basis.
- Each year, the County, Cities and Fire Districts shall provide the County of Santa Barbara Auditor-Controller a resolution adopted by their respective governing bodies containing a "Statement of Qualifying Expenditures" and certifying that proposed expenditures are consistent with the Expenditure Plan and "no supplanting" or baseline maintenance of efforts/general fund contribution requirements referenced within this Ordinance are met. The Auditor-Controller shall

disburse funds on a monthly basis consistent with the distribution schedule of the California State Board of Equalization.

- Beginning FY 2011/12, before the net proceeds from the Transactions (Sales) and Use Tax revenue for the year may be distributed to the County, Cities or Fire Districts, an authorizing resolution must be adopted by the Board of Supervisors providing for the distribution on the per capita/percentage distribution referenced for the County, Cities and Fire Districts. Upon adoption of the annual resolution of the Board of Supervisors, the County Auditor-Controller will disburse funds in the appropriate amounts noted within the resolution to the County, Cities and Fire Districts.

Disposition of Sales Tax:

In Fiscal Year 2009-10 \$459M of Sales Tax revenue for State and Local governments was generated in Santa Barbara County. The following chart represents the estimated Sales Tax for Fiscal Year 2009/10 distribution to agencies.

Sales & Use Tax	Rate (%)	County (\$)	Cities & Other Entities (\$)	State (\$)	Total Amount(\$)
State of California -General Fund	5.00	-	-	260.0	260.0
Temporary 1% Sales Tax Rate Increase*	1.00	-	-	52.0	52.0
Economic Recovery Fund: "Triple Flip"	0.25	-	-	13.0	13.0
Public Safety - Prop 172	0.50	25.3	0.7	-	26.0
County Health & Welfare - Realignment	0.50	17.4	8.6	-	26.0
City & County Road - Measure D	0.50	5.5	24.5	-	30.0
Countywide Transportation-LTF	0.25	1.0	12.0	-	13.0
County & Cities General Operations - Local Bradley Burns Sales Tax	0.75	7.4	31.6	-	39.0
Total Tax Revenue Received:	8.75	56.6	77.4	325.0	459.0

*The Sales and Use Tax Rate increased on April 1, 2009 resulting in the State's rate increasing from 5% to 6%.

- The 1% temporary State Sales Tax increase to 6% is anticipated to revert back to 5% on July 1, 2011. This sunset of the temporary State Sales Tax coincides with the timing of the ½% proposed increase in the ballot measure.

Should the proposed ballot measure be approved an 8.25% sales tax rate would exist in Santa Barbara County.

Estimated

Sales & Use Tax	Rate (%)	County (\$)	Cities & Other Entities (\$)	State (\$)	Total Amount(\$)
State of California - General Fund	5.00	-	-	260.0	260.0
Public Safety & Jail Construction ½ % *	0.50	21.7	8.3	-	30.0
Economic Recovery Fund: "Triple Flip"	0.25	-	-	13.0	13.0
Public Safety - Prop 172	0.50	25.3	0.7	-	26.0
County Health & Welfare - Realignment	0.50	17.4	8.6	-	26.0
City & County Road - Measure D	0.50	5.5	24.5	-	30.0
Countywide Transportation-LTF	0.25	1.0	12.0	-	13.0
County & Cities General Operations - Local Bradley Burns Sales Tax	0.75	7.4	31.6	-	39.0
Total Tax Revenue Received:	8.25	81.9	82.1	273.0	437.0

*estimate of \$30 million

Advisory Committees

An Independent Citizens' Crime Reduction and Fire Protection Oversight Advisory Committee shall be established by the County of Santa Barbara Board of Supervisors to monitor the expenditures of revenue collected pursuant to this ordinance only and to report to the People and the County of Santa Barbara Board of Supervisors.

The Committee shall consist of five members appointed by the County of Santa Barbara Board of Supervisors. Of the members first appointed, three members shall be for a term of two years and two members shall be appointed for a term of three years. No member shall serve more than two consecutive three year terms. The County of Santa Barbara Board of Supervisors shall solicit members for the Independent Citizens' Crime Reduction and Fire Protection Oversight Advisory Committee through an open application process. Any resident of the County of Santa Barbara is eligible to apply for Committee membership, subject to the restrictions specified above. Applicants which have specific executive level, large scale private or public sector financial operations expertise and/or prior committee experience are encouraged. The Independent Citizens' Crime Reduction and Fire Protection Oversight Advisory Committee shall meet as needed, but at least twice per fiscal year with specific meeting dates to be determined by Committee members in accordance with the Brown Act. The Committee will be tasked with conducting an annual review of expenditures of revenue collected pursuant to this ordinance to determine whether such funds are expended for the purposes specified in the Expenditure Plan and issuing an annual report on its findings to the County of Santa Barbara Board of Supervisors and the Cities and Fire Protection Districts that participate in the allocation of revenues.

A separate Advisory Committee for Recidivism Reduction Efforts and Alternatives-to-Incarceration will also be appointed by the Board of Supervisors to provide input to help ensure accountability to voters

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regarding the expenditure of the 16% of the tax revenue dedicated to recidivism reduction efforts and alternatives-to-incarceration and to assist the Board of Supervisors in ensuring that all provisions and requirements and voter mandates specified in the Expenditure plan and Ordinance related to such revenue are properly carried out.

The Advisory Committee shall consist of seven members to include subject matter experts in fields such as but not limited to: Substance abuse prevention, treatment and recovery, mental health treatment, vocational training, general education development, intensive probation supervision, proven alternatives-to-incarceration models, drug and mental health courts, inmate discharge planning services, gang prevention and intervention and criminal justice systems. The County of Santa Barbara Board of Supervisors shall solicit members for the Committee, through an open application process. All applications will be reviewed by the Board of Supervisors, which will have the authority to make final decisions regarding Committee composition, subject to the guidelines in this Ordinance. The Advisory Committee for Recidivism Reduction Efforts and Alternatives-to-Incarceration shall develop a process to annually solicit, review and recommend requests for funding from qualified service providers to the Board of Supervisors and conduct an annual review of expenditures of revenue collected pursuant to this ordinance to determine whether such funds are expended for the purposes specified in the Expenditure Plan. Specific duties of the Committee include but are not limited to:

- A. Recommending the allocation of funds emphasizing proven programs including intensive community supervision, prevention, intervention, rehabilitation and alternatives-to-incarceration programs designed to reduce crime and recidivism.
- B. Evaluating all implemented programs relative to the goals of ensuring that programs initiated eliminate the need for future correctional facility beds.

The Advisory Committee for Recidivism Reduction Efforts and Alternatives-to-Incarceration shall issue an annual report on their findings to the Board of Supervisors.

Performance Measure:

Performance measures to be determined for individual programs and services.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis: The ballot measure is anticipated to generate approximately \$30 million annually to be allocated among jail construction and operations, front-line law enforcement, front-line fire protection and recidivism reduction efforts and alternatives-to-incarceration.

Special Instructions:

Direct all items to the Clerk Recorder Assessor for inclusion in the November 2, 2010 Election materials.

Attachments:

Resolution

Ordinance

Authored by:

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Ken Shemwell, Undersheriff
Terri Nisich, Assistant CEO

cc:

Joe Holland, Clerk Recorder Assessor
Bob Geis, Auditor-Controller
Dennis Marshall, County Counsel
Mike Dyer, Fire Chief